

# THE RAILROAD RATE BILL

## Synopsis of the Important Provisions of the New Law.

**The Term Common Carriers Includes** Railroads, Express Companies, Sleeping Car Companies and Pipe Lines—Passes May Be Issued to Railroad Employees—Authority of Commission to Fix Rates.

Washington.—The following is a synopsis of the important sections of the railroad rate bill.

Section one makes the law apply to corporations or persons engaged in the transportation of oil or other commodities, except water, by pipe line, to those engaged in transportation of passengers or property by railroad or partly by railroad and partly by water, between states.

### "Common Carriers" Defined.

The term common carrier is described as follows:

"The term 'common carrier,' as used in this act, shall include express companies and sleeping car companies. The term 'railroad,' as used in this act, shall include all bridges and ferries used or operated in connection with any railroad, and also all the road in use by any corporation operating a railroad, whether owned or operated under a contract, agreement or lease, and shall also include all switches, spurs, tracks, and terminal facilities of every kind used or necessary in the transportation of the persons or property designated herein.

All charges made for any service rendered or to be rendered in the transportation of passengers or property as aforesaid, or in connection therewith, shall be just and reasonable; and every unjust and unreasonable charge for such service or any part thereof is prohibited and declared to be unlawful.

### What Passes May Be Issued.

The section relative to the issuing of railway passes is as follows:

A. No carrier subject to the provisions of this act shall hereafter, directly or indirectly, issue or give any interstate free ticket, free pass or free transportation for passengers, except to its officers, agents, employees, surgeons, physicians, actual and bona fide attorneys, and members of their immediate families; to ministers of religion, local and traveling secretaries of Young Men's Christian associations, inmates of hospitals and charitable and eleemosynary institutions; to indigent, destitute and homeless persons, and to such persons when transported by charitable societies or hospitals, and the necessary agents employed in such transportation; to inmates of the national homes or state homes for disabled volunteer soldiers and of soldiers' and sailors' homes, including those about to enter and those returning home after discharge, under arrangements with boards of managers, and female nurses that served during the civil war; to ex-union soldiers and sailors and ex-confederate soldiers; and to owners and caretakers of livestock when traveling with such stock or when going to point of shipment or returning from point of delivery.

### Exceptions to the Rule.

Provided, that this provision shall not be construed to prohibit the interchange of passes for the officers, agents and employees of carriers, and members of their immediate families, nor to prohibit any carrier from carrying passengers free with the object of providing relief in cases of general epidemic, pestilence or other calamitous visitations, nor prevent such carrier from giving free or reduced transportation to laborers transported to any place for the purpose of supplying any demand for labor at such place.

### Cannot Own Coal Mines.

All common carriers are prohibited from transporting from one state to another any article manufactured, mined or produced by the carrier or under its authority, and owned wholly or in part by the carrier; except that pipe lines operated by oil companies may transport their own commodities as well as those offered for transportation by competitors.

Section 2 amends section 6 of the present law so as to make it obligatory on the part of carriers to file with the commission and keep open to the public schedules showing all rates, fares and charges between different points on its own route and points on other routes, when a through rate is made, and no change should be made in these rates without giving 30 days' notice of change. It also provides for the filing of all contracts and agreements between different lines.

### Penalties Are Provided.

The penalties provided for violation of these rates are as follows:

That section 1 of the act entitled "An act to further regulate commerce with foreign nations and among the states," approved February 19, 1903, be amended so as to read as follows:

The willful failure upon the part of any carrier subject to said acts to file

and publish the tariffs or rates and charges as required by said acts, or strictly to observe such tariffs until changed according to law, shall be a misdemeanor, and upon conviction thereof the corporation offending shall be subject to a fine of not less than \$1,000 nor more than \$20,000 for each offense; and it shall be unlawful for any person, persons or corporation to offer, grant or give, or to solicit, accept or receive any rebate, concession or discrimination in respect to the transportation of any property in interstate or foreign commerce by any common carrier subject to said act to regulate commerce and the acts amendatory thereto whereby any such property shall by any device whatever be transported at a less rate than that named in the tariffs published and filed by such carrier, as is required by said act to regulate commerce and the acts amendatory thereto, or whereby any other advantage is given or discrimination is practiced.

Every person or corporation who shall offer, grant or give, or solicit, accept, or receive any such rebates, concession, or discrimination shall be deemed guilty of a misdemeanor, and on conviction thereof shall be punished by a fine of not less than \$1,000 nor more than \$20,000; Provided, that any person, or any officer or director of any corporation subject to the provisions of this act, or the act to regulate commerce and the acts amendatory thereto, or any receiver, trustee, lessee, agent or person acting for or employed by any such corporation, who shall be convicted as aforesaid, shall, in addition to fine herein provided for, be liable to imprisonment in the penitentiary for a term of not exceeding two years, or both such fine and imprisonment, in the discretion of the court. Every violation of this section shall be prosecuted in any court of the United States having jurisdiction of crimes within the district in which such violation was committed, or through which the transportation may have been conducted; and whenever the offense is begun in one jurisdiction and completed in another it may be dealt with, inquired of, tried, determined, and punished in either jurisdiction in the same manner as if the offense had been actually and wholly committed therein.

### Authorized to Fix Rates.

Section 15 authorizes the interstate commerce commission to fix rates as follows:

Sec. 4. That section 15 of said act be amended so as to read as follows:

"Sec. 15. That the commission is authorized and empowered, and it shall be its duty, whenever, after full hearing upon a complaint made as provided in section 13 of this act, or upon complaint of any common carrier, it shall be of the opinion that any of the rates, or charges whatsoever, demanded, charged, or collected by any common carrier or carriers, subject to the provisions of this act, for the transportation of persons or property as defined in the first section of this act, or that any regulations or practices whatsoever of such carrier or carriers affecting such rates, are unjust or unreasonable, or unjustly discriminatory, or unduly preferential or prejudicial, or otherwise in violation of any of the provisions of this act, to determine and prescribe what will be the just and reasonable rate or rates, charge or charges, to be thereafter observed in such case as the maximum to be charged; and what regulation or practice in respect to such transportation is just, fair and reasonable to be thereafter followed; and to make an order that the carrier shall cease and desist from such violation, to the extent to which the commission find the same to exist, and shall not thereafter publish, demand, or collect any rate or charge for such transportation in excess of the maximum rate or charge so prescribed, and shall conform to the regulation or practice so prescribed. All orders of the commission, except orders for the payment of money, shall take effect within such reasonable time, not less than 30 days, and shall continue in force for such period of time, not exceeding two years, as shall be prescribed in the order of the commission, unless the same shall be suspended or modified or set aside by the commission or be suspended or set aside by a court of competent jurisdiction.

Any person, corporation, or company who shall deliver property for interstate transportation to any common carrier, subject to the provisions of this act, or for whom, as consignor or consignee, any such carrier shall transport property from one state, territory, or district of the United States to any other state, territory or district of the United States or foreign country, who shall knowingly and willfully, by employee, agent, officer or otherwise, directly or indirectly, by or through any means or device whatsoever, receive or accept from such common carrier any

sum of money, or any other valuable consideration, as a rebate or offset against the regular charges for transportation of such property, as fixed by the schedules of rates provided for in this act, shall be deemed guilty of a fraud, which is hereby declared to be a misdemeanor, and, shall, upon conviction thereof in any court of the United States of competent jurisdiction within the district where such offense was committed, in addition to any other penalties provided by this act, be subjected to a fine equal to three times the sum of money so received or accepted, and three times the value of any other consideration so received or accepted, to be ascertained by the trial court; and in the trial for such offense, all such rebates or other considerations so received or accepted for a period of six years prior to the commencement of the action may be considered, and the said fine shall be three times the total amount of money or three times the total value of such considerations so received or accepted, as the case may be: Provided, that the foregoing penalties shall not apply to rebates or considerations received prior to the passage and approval of this act. In addition to the above the commission is empowered to make joint rates.

### Orders of the Commission.

Any carrier, any officer, representative, or agent of a carrier, or any receiver, trustee, lessee, or agent of either of them, who knowingly fails or neglects to obey any order made under the provisions of section 15 of this act, shall forfeit to the United States the sum of \$5,000 for each offense. Every distinct violation shall be a separate offense, and in case of a continuing violation each day shall be deemed a separate offense.

### Provision for Court Review.

The court-review provision of the bill is as follows:

If any carrier fails or neglects to obey any order of the commission, other than for the payment of money, while the same is in effect, any party injured thereby, or the commission in its own name, may apply to the circuit court in the district where such carrier has its principal operating office, or in which the violation or disobedience of such order shall happen, for an enforcement of such order. Such application shall be by petition, which shall state the substance of the order and the respect in which the carrier has failed of obedience, and shall be served upon the carrier in such manner as the court may direct, and the court shall prosecute such inquiries and make such investigations, through such means as it shall deem useful in the ascertainment of the facts at issue or which may arise upon the hearing of such petition. If, upon such hearing as the court may determine to be necessary, it appears that the order was lawfully made and duly served, and that the carrier is in disobedience of the same, the court shall enforce obedience to such order by a writ of injunction, or other proper process, mandatory or otherwise, to restrain such carrier, its officers, agents or representatives, from further disobedience of such order, or to enjoin upon it, or them, obedience to the same; and in the enforcement of such process the court shall have those powers ordinarily exercised by it in compelling obedience to its writs of injunction and mandamus.

From any action upon such petition on appeal shall lie by either party to the supreme court of the United States, and in such court the case shall have priority in hearing and determination over all other causes except criminal causes, but such appeal shall not vacate or suspend the order appealed from.

The so-called Allison provision provides that all cases for the annulling of a rate as made by the commission should be brought in the district where the carrier against whom such order of requirement may have been made has its principal office.

Other provisions of the bill provide that the commission shall be empowered to require annual reports from all common carriers, and providing that such reports shall be of the fullest character; giving the commission at all times access to the books of common carriers, heavy penalties are enjoined for false entries in accounts. A fine of \$5,000 or imprisonment for a term of two years, or both, is decreed for any examiner who shall wrongly divulge information acquired through examinations of accounts. Circuit and district courts are to have jurisdiction to issue writs of mandamus compelling common carriers to obey the orders of the commission. Bills of lading are to be issued by any common carrier accepting goods for transportation, making railroad companies liable for loss or damage done in transit over their or any other line. The commission is empowered to employ special agents or examiners with full powers.

This act takes effect and is in force from and after its passage.

The interstate commerce commission will consist of seven members, who shall draw salaries of \$10,000 per annum each.

## FINES FOR THE PACKERS.

**Freight Brokers Must Go to Prison in Addition.**

Armour, Morris, Swift, Cudahy and Burlington Railroad Fined \$15,000 Each for Rebating.

Kansas City, Mo.—After vigorously scoring dishonest practices of railway companies, shippers and their agents in giving, receiving or procuring unlawful concessions in freight rates, Judge Smith McPherson in the United States court here Friday pronounced sentence upon the following convicted corporations and persons:

George L. Thomas, freight broker four months' imprisonment and a fine of \$6,000.

L. B. Taggart, chief clerk to Thomas, three months' imprisonment and a fine of \$4,000.

The Chicago, Burlington & Quincy railway, a fine of \$15,000.

Swift & Co., packers, a fine of \$15,000.

Cudahy Packing company, a fine of \$15,000.

Armour Packing company, a fine of \$15,000.

Nelson Morris & Co., packers, a fine of \$15,000.

Regarding the equal guilt of all the indicted corporations, Judge McPherson said:

"I assess the fines against all of said corporations at the same sum. I do this on full consideration. These parties were all together in this scheme, with like motive and purpose. The corporation that grants concessions is neither more nor less guilty than the party who receives such benefits, and the form of the indictment cannot change this any more than in the case of one who steals and one who knowingly receives stolen goods. Railroads and shippers must be treated alike in cases wherein they violate the Elkins law.

"This is so both under the law and under any code of morals. Both shippers and the railroads must understand that however artful the scheme there is equal intelligence, which will uncover and expose its nakedness. And if railroads and shippers doubt this they will do well to remember that they are playing against stakes of large fines and judgment of imprisonment. And in playing the game they take all the chances."

After stating that the testimony showed that several Kansas City firms had received large sums in rebates through an agreement with Thomas and Taggart, the judge said:

"I assume all these concerns will be proceeded against for receiving these unlawful rebates, which can be done either by indictment or information, as the last vestige of the plea of immunity for corporations has been wiped out by the decision of the supreme court of the United States of March 12, 1906, in the case of Hale vs. Henkle.

Washington, D. C.—On being asked concerning the action of Judge McPherson at Kansas City Friday in his decision against the Armour, Swift, Morris and Cudahy packing companies, the Burlington railroad and the individual defendants, Taggart and Thomas, the attorney general said:

"I regard the outcome of this case as of the first importance. The sentence of imprisonment imposed for the first time on persons guilty of rebating will, in my judgment, have the most potent effect in checking the widespread practice of unlawful discriminations."

### Grain Rate to Chicago Lowered.

Chicago, Ill.—The Chicago Great Western railroad Thursday issued a new tariff on grain from the Missouri river to Chicago, showing the discontinuance of elevator charges at the river. The elevation charge of 1 1/4 cents was knocked off the 12-cent rate and beginning next Monday the rate will be 10 3/4 cents. The road has announced also that it will transfer grain through its own elevator at Kansas City free for its shippers.

### Shower of Frogs at Alton, Ill.

Alton, Ill.—A heavy rainstorm, accompanied by a gale, swept over Alton Sunday and a deluge of little green frogs was precipitated. They fell so plentifully that thousands were hopping around the streets. Pedestrians and vehicles crushed them by hundreds, so thickly were the streets strewn. It is believed the frogs were scooped up from the marshy lowlands by the heavy wind, carried over the city and dropped.

### Pure Food Bill to Conference.

Washington, D. C.—The house insisted Monday on its amendments to the pure food bill and asked for a conference. The speaker appointed as conferees Mr. Mann (Ill.), Mr. Hepburn (Ia.) and Mr. Ryan (N. Y.). The senate agreed to the conference and Senators Heyburn, McCumber and Lattimer were appointed as conferees.

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Do not be induced to pay 45 or 50 cents a pound for the Trust baking powders; they leave large quantities of Rochelle Salts in the food.

The constant dosing of Rochelle Salts will derange the digestive organs. Your physician will tell you this.

### Young Men and Mechanics Wanted

For the NAVY: ages 17 to 25 years; pay \$15.00 to \$20.00 per month; opportunity for advancement. All candidates must pass a physical examination; must be citizens of the United States, and able to speak, read and write English. For full particulars apply at  
**THE NAVY RECRUITING STATION,**  
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### GRIST OF GRINS.

Eddie—"Say, uncle, what's radium?"  
Uncle—"Aw, that's the stuff they make radiators of."

"Father, what's the difference between a lunch and a luncheon?"  
"About a dollar and a quarter, my boy."

"How did you get that black eye, Willie?"  
"I got dat," replied Willie, disgustedly, "by waitin' to count ten when I was angry, like you told me to."

Nervous Old Lady (on seventh floor of hotel)—"Do you know what precautions the proprietor of the hotel has taken against fire?"  
Porter—"Yes, mum; he has the place insured for twice wot it's worth."

"Well, Mr. Lambkin, how do you like being married?"  
"Not in the least. I am no longer allowed to smoke, to drink or to go out alone." "Then you must be sorry you married." "I am not allowed to be sorry, either."

Mrs. Nibbs—"Why were you so absurd as to tell Bibbs at the dinner table that you can tell an old turkey from a young one by the teeth?"  
Nibbs—"So I can." Mrs. Nibbs—"Nonsense. Turkeys have no teeth."—Nibbs—"Well, I have."

### TERRIBLE ITCHING SCALP.

Eczema Broke Out Also on Hands and Limbs—An Old Soldier Declares: "Cuticura Is a Blessing."

"At all times and to all people I am willing to testify to the merits of Cuticura. It saved me from worse than the tortures of hades, about the year 1900, with itching on my scalp and temples, and afterwards it commenced to break out on my hands. Then it broke out on my limbs. I then went to a surgeon whose treatment did me no good; but rather aggravated the disease. I then told him I would go and see a physician in Erie. The reply was that I could go anywhere, but a case of eczema like mine could not be cured; that I was too old (80). I went to an eminent doctor in the city of Erie and treated with him for six months, with like results. I had read of the Cuticura Remedies, and so I sent for the Cuticura Soap, Ointment and Resolvent, and continued taking the Resolvent until I had taken six bottles, stopping it to take the Pills. I was now getting better. I took two baths a day and at night I let the lather of the Soap dry on. I used the Ointment with great effect after washing in warm water, to stop the itching at once. I am now cured. The Cuticura treatment is a blessing, and should be used by every one who has itching of the skin. I can't say any more, and thank God that He has given the world such a curative. Wm. H. Gray, 2303 Mount Vernon St., Philadelphia, Pa., August 2, 1905."

What the world needs is men who do more of their work by day and more of their dreaming by night.